RESOLUTION NO. \_\_\_\_ (2022 SERIES)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN LUIS OBISPO, CALIFORNIA, AMENDING INCLUSIONARY HOUSING IN-LIEU FEES IN ACCORDANCE WITH CHAPTER 17.138 OF TITLE 17 AND ESTABLISHING THE AMOUNTS OF COMMERCIAL LINKAGE FEES IN ACCORDANCE WITH CHAPTER 4.60 OF TITLE 4 OF THE SAN LUIS OBISPO MUNICIPAL CODE AND AMENDING THE COMPREHENSIVE FEE SCHEDULE

WHEREAS, the State of California has found that local governments have a responsibility to use the powers vested in them to facilitate the development of housing and to make adequate provision for the housing needs of all economic segments of the community (Government Code Section 65580(d); and

WHEREAS, on August 16, 2022, the City Council of the City of San Luis Obispo adopted an ordinance amending inclusionary housing requirements, including inclusionary housing in-lieu fees, as codified in Chapter 17.138 of Title 17 of the San Luis Obispo Municipal Code ("Inclusionary Housing Ordinance"); and

WHEREAS, on August 16, 2022, the City Council of the City of San Luis Obispo adopted an ordinance establishing a Commercial Linkage Fee on Non-Residential development as codified in Chapter 4.60 of Title 4 of the San Luis Obispo Municipal Code (the "Commercial Linkage Ordinance)"; and

**WHEREAS**, the purpose and findings supporting the adoption of the Inclusionary Housing In-Lieu Fee are set forth in the Inclusionary Housing Ordinance; and

**WHEREAS,** the purpose and findings supporting the adoption of the Commercial Linkage Fee are set forth in Commercial Linkage Fee Ordinance; and

WHEREAS, the Council desires to establish herein the amount of the Inclusionary Housing In-Lieu Fees for residential development and Commercial Linkage Fees for specified non-residential land uses in the City; and

**WHEREAS,** the Comprehensive Fee Schedule will be updated to reflect all new and updated fees; and

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of San Luis Obispo as follows:

**SECTION 1. Recitals.** The recitals set forth above are hereby adopted as the findings of the City in adopting the policies herein.

**SECTION 2. Environmental Determination.** Amending the inclusionary in-lieu housing fee and establishment of a commercial linkage fee is not considered a project subject to the California Environmental Quality Act ("CEQA") pursuant to Section 15378(b)(4) of the CEQA Guidelines, which excludes the following from the definition of projects: the creation of a government funding mechanism or other government fiscal activities which do not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment.

**SECTION 3.** Inclusionary Housing In-Lieu Fee. Applicants opting to pay an inclusionary housing in-lieu fee in accordance with Chapter 17.138 of the San Luis Obispo Municipal Code shall pay the fee based on the habitable square footage of space within the residential development project as follows:

Residential unit type	Fee per square foot	
New for-sale housing	\$25.00	
New rental housing	\$20.00	

**SECTION 4. Commercial Linkage Fee.** The Commercial Linkage Fees adopted in Chapter 4.60 of the City of San Luis Obispo Municipal Code are hereby established in the following amounts and shall be computed as follows:

All Commercial Development Projects and all Non-Residential portions of a project subject to Chapter 4.60 shall pay the commercial linkage fee based on the gross square footage of each use included in the proposed project as follows:

Non-Residential Use	Fee per square foot	
Office, Service, Retail, Hotel	\$6.00	
Industrial, Manufacturing	\$5.00	

**SECTION 5. Effective Date.** This Resolution shall take effect upon the effective date of both the Inclusionary Housing Ordinance and the Commercial Linkage Fee Ordinance.

 Upon	motion	of, and on the following roll call vote:	seconded	by
AYES: NOES: ABSENT	:			

The foregoing resolution was adopted this \_\_\_\_\_ day of \_\_\_\_\_ 2022.

Mayor Erica A, Stewart

ATTEST:

Teresa Purrington, City Clerk

APPROVED AS TO FORM:

J. Christine Dietrick, City Attorney

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed the official seal of the City of San Luis Obispo, California, on \_\_\_\_\_\_.

Teresa Purrington, City Clerk

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